Vote No. 482

October 10, 1995, 6:06 p.m. Page S-14875 Temp. Record

JOB PROGRAMS REFORM/Trade Adjustment Assistance Program

SUBJECT: Workforce Development Act of 1995 . . . S. 143. Moynihan amendment No. 2887 to the Kassebaum amendment No. 2885.

ACTION: AMENDMENT AGREED TO, 52-45

SYNOPSIS: As reported, S. 143, the Workforce Development Act of 1995, will replace more than 80 Federal workforce employment and workforce education programs with a single program. That program will provide 93 percent of the authorized funds to the States in grants with minimal Federal requirements.

The Kassebaum substitute amendment would make changes agreed to by the bill managers.

The Moynihan amendment would strike the bill's consolidation of the training part of the Trade Adjustment Assistance (TAA) Program into the new workforce grant program that will be created by this Act (the bill's consolidation will apply only to TAA training; the TAA entitlement to income support will not be altered).

Those favoring the amendment contended:

Free trade brings net benefits to the American people. Prices drop, incomes increase, and the economy expands whenever trade barriers are lowered. However, not everyone benefits. Particular industries always suffer when a new trade agreement lowering tariffs is reached. Industries that are internationally competitive benefit as they increase their exports, but industries that are not internationally competitive suffer as their markets are taken by imported products. These latter industries, in effect, are sacrificed by the Government for the greater public good. When the Government deliberately destroys some industries, and thus jobs, in order to meet a greater public good, it owes assistance to the people whose jobs are lost. The TAA was founded on this principle in 1954. For 40 years, this social program has promised assistance to American workers whose jobs have been lost due to trade agreements. To give Senators an idea of the size of this program, since 1975 alone more than 2 million people have received TAA benefits. We daresay that without the knowledge that this assistance was available Congress would never have approved the North American Free

(See other side)

| YEAS (52) | | | NAYS (45) | | | NOT VOTING (2) | |
|---|--|--|---|---|---------------------|--|-----------------------------|
| Republicans | Democrats (45 or 100%) | | Republicans (45 or 87%) | | Democrats (0 or 0%) | Republicans Democrats | |
| (7 or 13%) | | | | | | (1) | (1) |
| Abraham Bond Campbell D'Amato Roth Specter Thompson | Akaka Baucus Biden Bingaman Boxer Bradley Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Feingold Feinstein Ford Glenn Graham Harkin Heflin Hollings | Inouye Johnston Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Nunn Pell Pryor Reid Robb Rockefeller Sarbanes Simon Wellstone | Ashcroft Bennett Brown Burns Chafee Coats Cochran Coverdell Craig DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield Helms | Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Santorum Shelby Simpson Smith Snowe Stevens Thomas Thurmond Warner | | EXPLANAT 1—Official 1 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired | nced Yea nced Nay Yea |

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Trade Agreement or the Uruguay Round.

This bill will break this 40-year commitment to those workers who are hurt by trade agreements. It will eliminate the TAA training program, combining it with more than 80 other programs to create a single program that will not specifically require trade adjustment assistance. We very much oppose this elimination, and have therefore proposed the Moynihan amendment to preserve the TAA. We urge our colleagues to join us in voting in favor of this amendment.

Those opposing the amendment contended:

Which is better: an empty promise or a program that works? S. 143 will preserve the entitlement for TAA income assistance as a separate Government program, but it will include the TAA training program in the consolidated workforce grants that will be given to the States. We are giving those consolidated grants because Congress has gradually created a horrendous maze of workforce training and education programs that are inefficient, duplicative, and ineffective. States will be given great flexibility in the use of their grants, and in return they will have to meet performance standards. The emphasis will be on accountability: people will be put into real, non-subsidized jobs.

It makes no sense to keep separate and distinct programs for workers who are laid off for one reason or another. A worker who loses his or her job due to foreign competition and a worker who loses his or her job due to restructuring, domestic competition, or any other reason both need new jobs, and both may equally need help in education and training in order to get those new jobs. Why should the first worker be sent to building A for program number 1, and the second worker be sent to building B for program number 2? In this particular case, why should people who have lost their jobs due to foreign competition have to go to the existing, ineffective TAA worker training program, instead of to the new program that will be created by this bill that will demand results?

The TAA program which our colleagues have so ardently defended, in fact, does not work well. Recent reports by the General Accounting Office, the Department of Labor Inspector General, and by an independent contractor commissioned by the Department of Labor have all concluded that the TAA training program is seriously flawed. The program does not provide benefits equally to eligible participants, it is slow in reaching workers due to a complex certification process, it provides a limited mix of services, it lacks ongoing counseling and support to get participants to complete training, it does not follow through by helping participants find jobs after training, and it does not have an effective accountability system in place. Our colleagues can tell us that 2 million bodies have passed through this program since 1975, but they cannot tell us that it has done them any good.

The bottom line is that excluding the TAA program from the reforms in this bill will hurt those workers who lose their jobs as a result of trade agreements. Senators can vote for the appearance of helping those workers by voting in favor of the Moynihan amendment, or they can instead provide substantive help by joining us in voting against this ill-considered amendment.